



STATE OF ARIZONA

JANICE K. BREWER
GOVERNOR

EXECUTIVE OFFICE

September 8, 2009

The Honorable Trent Franks
US House of Representatives
2435 Rayburn House Office Building
Washington DC 20515-0302

Dear Representative Franks:

I was recently requested by Senators John McCain and Jon Kyl to provide information about the impact of federal health care reform proposals on Arizona.

As you engage in discussion about the various proposals, I thought it would be useful for you to have this information as well. As you know, Arizona is facing a financial crisis that is expected to continue for several years, and enrollment in Medicaid has dramatically increased.

Even with full federal funding for a Medicaid expansion, the proposals will result in significantly increased costs for the existing Medicaid population. As you deliberate the various proposals under consideration, I ask you to bear in mind the fiscal difficulties states are facing and are likely to continue to face over the next few years.

During the National Governors Association meeting in July, governors – both Republicans and Democrats – formalized their opposition to current Congressional reform proposals by issuing a policy opposing unfunded mandates that shift costs to the states. I want to reiterate my opposition to these unfunded mandates.

I also would like to encourage you to maintain state flexibility in the management of the Medicaid program. This flexibility has been key to Arizona's success in developing and efficiently managing a Medicaid program that provides high quality care at a low cost. Attached please find detailed information about the effects on Arizona of a proposed Medicaid expansion to 150 percent of the federal poverty level. Although the details of the proposals may change, this information should provide context for you to understand the overall impact of an expansion.

I hope you find this information useful as you consider the various proposals before you. Please do not hesitate to contact my office if you have questions or require additional information.

Sincerely,

A handwritten signature in black ink that reads "Janice K. Brewer". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Janice K. Brewer
Governor